Monday, February 22, 2021

Twahna P. Harris Council Aide, District 7 Office of the Metropolitan Council 222 St. Louis Street Baton Rouge, Louisiana 70821

Louisiana Board of Ethics Re: Docket No. 2021-057

Dear Ms. Harris:

The Louisiana Board of Ethics ("Board"), at its March 5, 2021 meeting, considered your request for an advisory opinion as to whether the Louisiana Code of Governmental Ethics ("Code") would prohibit the Butterfly Society, a non-profit organization of which you are the Founder and Executive Director, from accepting a \$24,250 contribution from the City of Baton Rouge – Parish of East Baton Rouge.

FACTS PROVIDED

You serve as the Council Aide to Councilman Lamont Cole. Councilman Cole serves District 7 and has been appointed President Pre-Tempore (effective January 2021). You are also the Founder and the Executive Director of Butterfly Society, a non-profit organization who aids domestic violence victims by providing temporary lodging, rental assistance, utility assistance, funeral expenses, medical expenses, and transportation. The City of Baton Rouge Parish of East Baton Rouge has budgeted a \$24,250 contribution to the Butterfly Society in its 2021 budget but the funds have not been distributed.

You have requested an advisory opinion that answers the following questions:

- 1. May the Butterfly Society accept the budgeted \$24,250 contribution for **2021** and subsequent years if I continue to serve as Executive Director?
- May the Butterfly Society receive the CARES Act Grant funding, if I continue to serve as Executive Director?
- 3. If I surrender my position as Executive Director and accept a salaried position with the organization which is in accordance with the past Board

exception 82-02d, can the Butterfly Society accept the budgeted donation from the City and/or the CARES Act grant?

4. If I surrender any paid position with the Butterfly Society and only volunteer my services, can the Butterfly Society accept the budgeted donation from the City and/or the CARES Act grant?

LAW

La. R.S. 42:1111(C)(2)(d) provides that no public servant and no legal entity in which the public servant exercises control or owns an interest in excess of twenty-five percent, shall receive any thing of economic value for or in consideration of services rendered or to be rendered, to or for any person during his public service unless such services are: (d) Neither performed for nor compensated by any person or from any officer, director, agent, or employee of such person, if such public servant knows or reasonably should know that such person has or is seeking to obtain contractual or other business or financial relationships with the public servant's agency; conducts operations or activities which are regulated by the public employee's agency; or has substantial economic interests which may be substantially affected by the performance or nonperformance of the public employee's official duty.

La. R.S. 42:1117 provides that no public servant or other person shall give, pay, loan, transfer, or deliver or offer to give, pay, loan, transfer, or deliver, directly or indirectly, to any public servant or other person any thing of economic value which such public servant or other person would be prohibited from receiving by any provision of this Part.

<u>© CONCLUSION</u>

The Board concluded, and instructed me to inform you, that based on the facts presented, the Code dictates the following:

1. May the Butterfly Society accept the budgeted \$24,250 contribution for 2021 and subsequent years if I continue to serve as Executive Director?

No. La. R.S. 42.111(C)(2)(d) prohibits public servants from receiving compensation from a legal entity in which the public servant exercises control when that entity has or is seeking to obtain a financial relationship with the public servant's agency. Furthermore, La. R.S. 42:1117 prohibits the legal entity from paying a public servant anything that La. R.S. 42:1111(C)(2)(d) prohibits the public servant from receiving. As a result, the Code prohibits Butterfly Society from accepting the \$24,250 contribution for 2021 and subsequent years if you continue to serve as Executive Director on a paid basis.

2. May the Butterfly Society receive the CARES Act Grant funding, if I continue to serve as Executive Director?

No. Please refer to the answer to No. 1.

3. If I surrender my position as Executive Director and accept a salaried position with the organization which is in accordance with the past Board exception 82-02d, can the Butterfly Society accept the budgeted donation from the City and/or the CARES Act grant?

No. Please refer to the answer to No. 1. Additionally, the 82-02D Exception does not exist in the Code, was a Board created exception, and is no longer applicable.

4. If I surrender any paid position with the Butterfly Society and only volunteer my services, can the Butterfly Society accept the budgeted donation from the City and/or the CARES Act grant?

Yes. The Code does not prohibit Butterfly Society from accepting the funds as long as you no longer have a controlling interest in the non-profit organization.

This advisory opinion is based solely on the facts as set forth herein. Changes to the facts as presented may result in a different application of the provisions of the Code of Governmental Ethics. The Board issues no opinion as to past conduct or as to laws other than the Code of Governmental Ethics, the Campaign Finance Disclosure Act, the Lobbyist Disclosure Act, and conflict of interest provisions in the gaining laws. If you have any questions, please contact

gaining laws.
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